



# WASHOE COUNTY

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CM/ACM \_\_\_\_\_  
Budget MM  
DA N/A  
Risk Mgt. N/A  
HR N/A  
Other N/A

## STAFF REPORT

BOARD MEETING DATE: October 20, 2015

**DATE:** September 30, 2015  
**TO:** Board of County Commissioners and  
Library Board of Trustees  
**FROM:** Lori Cooke, Senior Fiscal Analyst, Budget Division - Manager's Office  
(775) 328-2702, [LCooke@washoecounty.us](mailto:LCooke@washoecounty.us)  
**THROUGH:** Mark Mathers, Budget Manager  
**SUBJECT:** Presentation of Washoe County Library Financial Overview. (All  
Commission Districts)

### SUMMARY

It has been requested that members of the Washoe Board of County Commissioners and the Library Board of Trustees receive a financial overview of the Washoe County Library. This overview will cover the funding sources and include projections and outlook of the funds that comprise the overall budget of the library system.

Washoe County Strategic Objective: Stewardship of our community

### PREVIOUS ACTION

None

### BACKGROUND

Since FY 1995-96, the Library System has been funded by a combination of the General Fund and Library Expansion Fund, plus various nonrecurring grants. At the last concurrent meeting of the Board of County Commissioners and Library Board of Trustees in February 2015, there was discussion of funding sources for future expansion of the Library System. Therefore, it has been requested that members of the Washoe Board of County Commissioners and the Library Board of Trustees receive a financial overview of the Washoe County Library at this concurrent meeting prior to discussion of expansion of library services and/or facilities.

### FISCAL IMPACT

None

### RECOMMENDATION

Acknowledge the presentation by the Budget Division on the financial overview of the

AGENDA ITEM # 13

Washoe County Library.

**POSSIBLE MOTION**

Should the board agree with the staff's recommendation, a possible motion would be:

*Move to acknowledge the presentation by the Budget Division on the financial overview of the Washoe County Library.*



# Washoe County Library System Financial Overview

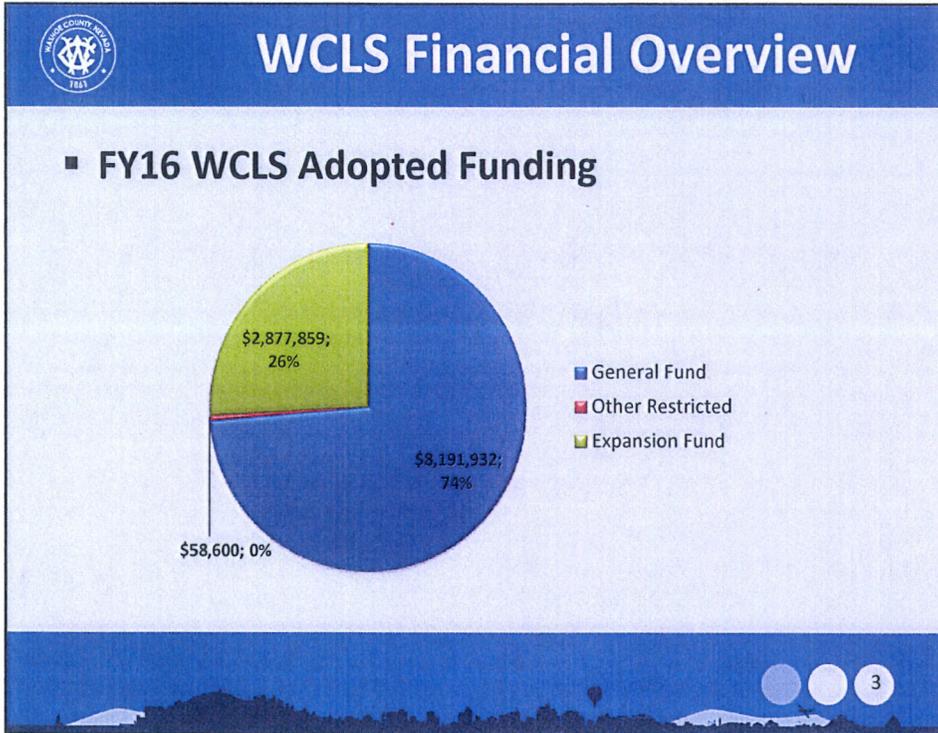
October 20, 2015



# WCLS Financial Overview

- **The Washoe County Library System is funded via three sources**
  - General Fund
  - Library Expansion Fund
  - Other Restricted (i.e., grants, donations, etc.)
- **Total Adopted FY16 Budget**
  - Expenditures = \$11,128,391
  - FTEs = 117.08





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- WCLS Financial Overview**
- **General Fund**
- Expenditures
    - FY16 Budget = \$8,191,932
      - 6.6% increase over FY15 actual
  - FTEs
    - FY16 Budget = 94.42
  - Revenues
    - FY16 Budget = \$127,200
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## WCLS Financial Overview

- **Expansion Fund**
  - Expenditures
    - FY16 Budget = \$2,877,859
      - 42% increase over FY15 actual
      - Includes \$709,679 in personnel requested by Library Department for FY16 to support sixth day expansion
  - FTEs
    - FY16 Budget = 22.66
      - Includes additional 11.28 FTEs (Net 10.25 FTEs & 15 positions) requested by Library Department for FY16 to support sixth day expansion




## WCLS Financial Overview

- **Expansion Fund Cont.**
  - Revenues
    - The Library Expansion Fund is funded via a voter-approved tax levy in the amount of 2 cents per \$100 assessed valuation.
    - It was approved on November 8, 1994 (Question No. WC-1), implemented in fiscal year 1995-96, and expires fiscal year 2024-25 (6/30/2025).
    - FY16 tax revenue is anticipated at \$2,606,834 and interest is budgeted at \$15,000 for total revenue of \$2,621,834.
    - If a new levy is not approved by voters, the 2 cents will no longer be legally restricted. The overall county tax rate will not automatically reduce.





## WCLS Financial Overview

- **Expansion Fund Cont.**
  - Eligible Uses
    - November 8, 1994; Question No. WC-1
      - » *“Shall the Board of County Commissioners of Washoe County be allowed to levy an ad valorem tax in the amount of up to \$0.02 per \$100 assessed valuation for a period of 30 years to raise approximately \$1,120,000 in fiscal year 1995-96 and thereafter the amount generated by a levy of up to \$0.02 per \$100 assessed valuation against the then applicable assessed value of property in the County for the purpose of acquiring, constructing, improving, equipping, operating and maintaining library facilities for the County?”*



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## WCLS Financial Overview

- **Expansion Fund Cont.**
  - Historical Uses
    - Personnel (salaries & wages and benefits)
    - Services and Supplies
      - » Professional Services
      - » Circulation Materials
      - » Non-Capital Equipment
      - » Overhead
      - » Debt Service
        - Northwest & Incline paid from Library Expansion
        - South Valleys & Spanish Springs paid from County Debt Service per November 7, 2000, Question No. WC-1



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## WCLS Financial Overview

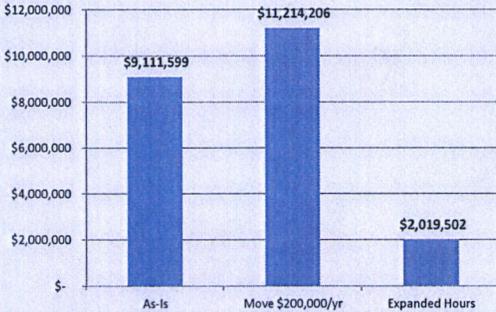
- **Libraries Funded by G.O. Bonds:**
  - November 7, 2000; Question No. WC-1
    - » *“Shall Washoe County be authorized to issue up to \$38,300,000 of general obligation bonds for the purpose of acquiring, improving, and equipping parks, trails, open space and library facilities located on park lands? \$11.8 million of the Bonds will be used for open space projects, \$2.13 million will be used for trail projects, \$14.37 million will be used for park projects and **\$10 million will be used for library projects.** The Bonds are expected to require a property tax levy for 30 years. The Bonds are estimated to result in an increase in the property taxes of an average of \$8.24 per year for the owner of a new home with a market value of \$100,000.”*


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## WCLS Financial Overview

- **Expansion Fund - Projected Fund Balance**
  - Per the FY16 budget request submitted by the Library, a financial forecast through FY 2024-25 was prepared to show the anticipated fund balance under three scenarios:
 



Scenario	Projected Fund Balance
As-Is	\$9,111,599
Move \$200,000/yr	\$11,214,206
Expanded Hours	\$2,019,502

“As – Is” reflects no FTE changes to General or Expansion Fund per FY15 Adopted Budget and Estimate to Complete.

“Move \$200,000/yr” reflects no FTEs changes (like “As-Is” scenario), but forecasts impact of moving \$200,000 in expense from Expansion Fund to GF each fiscal year through 2024-2025 (10 fiscal years).

“Expanded Hours” reflects FTE changes as requested by Library Department for FY16 budget, funded via Expansion vs. General Fund.


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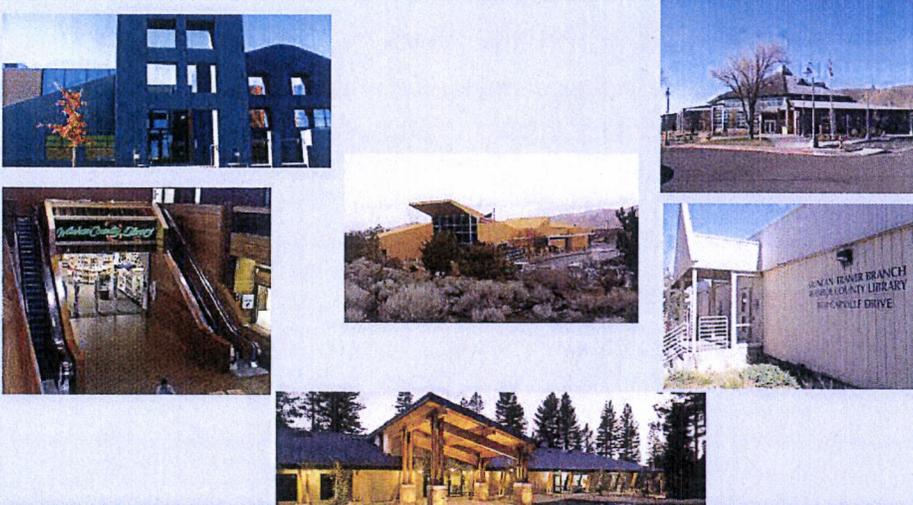


# WCLS Financial Overview

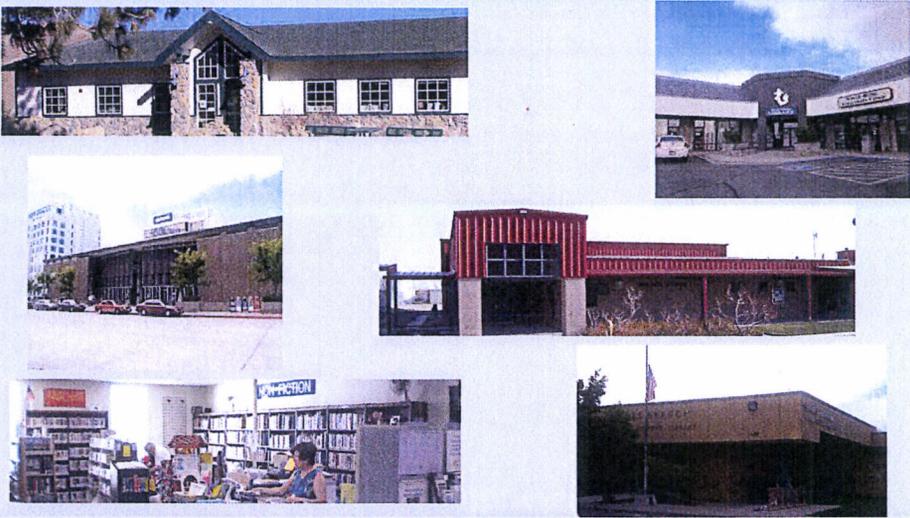
- **General Fund Outlook**
  - Revenue Constraints
    - General Fund Revenue – even with recent recovery, countywide revenue is still \$13.8M (4.4%) less than pre-recession (\$301.5M vs. \$315.3M)
  - Cost Pressures
    - FY16 Above Base Requests = \$13.5M requested countywide; \$1.24M able to be funded countywide
    - Based on current trends, Budget Office believes that funding for above-base requests will continue to be limited in the short to intermediate future unless additional revenue sources are identified
- **The General Fund absorbs the following costs of programs that support the Library system:**
  - Overhead of \$2.1M
    - Facilities, including Utilities
    - OPEB
    - Technology Services
    - HR
    - Accounting



# WCLS Financial Overview



 **WCLS Financial Overview**





 **WCLS Financial Overview**

- **Questions/Discussion**

